

DRAFT

**FY 2015 Supplemental Appropriations
House File 666**

Last Action:
**House Appropriations
Committee**
June 4, 2015

Executive Summary Only

An Act relating to state and local finances by making transfers and appropriations, providing for properly related matters, and including effective date and retroactive applicability provisions.

**Fiscal Services Division
Legislative Services Agency**

NOTES ON BILLS AND AMENDMENTS (NOBA)

FUNDING SUMMARY

House File 666 provides a total of \$134.9 million in General Fund supplemental appropriations for FY 2015.

MAJOR INCREASES/DECREASES/TRANSFERS OF EXISTING PROGRAMS

Transfers \$10.0 million from the General Fund to the State Bond Repayment Fund in FY 2015. The transfer will increase the balance in the Fund from \$28.9 million to \$38.9 million. Moneys in the Fund can only be used for the defeasance or redemption of outstanding obligations issued by the State or an authority of the State that have debt service paid by a dedicated revenue source and for payment of costs relating to the defeasance or redemption.

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SUPPLEMENTAL APPROPRIATIONS

FY 2015 General Fund supplemental appropriation of \$43.0 million to the Department of Human Services (DHS) for Medicaid.

Page 1, Line 6

FY 2015 General Fund supplemental appropriation of \$2.3 million to the Department of Public Health (DPH) for substance abuse treatment grants to providers. Requires \$100,000 grants to nonprofit substance abuse treatment licensed providers. Requires the grants to be used for the costs of implementing an electronic health record system which shall be operational by July 1, 2019 (FY 2020).

Page 1, Line 19

FY 2015 General Fund supplemental appropriation of \$2.5 million to the Department of Public Safety for radio communications equipment with the goal of achieving compliance with the Federal Communications Commission (FCC) narrowband mandate deadline.

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FY 2015 General Fund supplemental appropriation of \$9.5 million to the Department of Revenue for the payment of commercial and industrial property tax replacement claims in FY 2016. The commercial and industrial property tax replacement is currently funded with a General Fund standing unlimited appropriation. The amount currently included in the FY 2016 budget is \$162.1 million, and is the estimated amount needed to fully fund the property tax claims. The supplemental appropriation in this Bill will offset the amount needed to be appropriated for FY 2016 by \$9.5 million.

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FY 2015 General Fund supplemental appropriation of \$310,000 to the Department of Corrections (DOC) for transitional costs associated with the new maximum-security prison at Fort Madison.

Page 2, Line 25

FY 2015 General Fund supplemental appropriation of \$2.5 million to the Department of Education for

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EXECUTIVE SUMMARY

FY 2015 SUPPLEMENTAL APPROPRIATIONS BILL

general state financial aid to community colleges. The money is allocated pursuant to Iowa Code section 260C.18C. The funds are to be used for one-time, nonoperational expenses.

FY 2015 General Fund supplemental appropriation of \$2.9 million to the Board of Regents for the University of Iowa. The funds are to be used for one-time, nonoperational expenses.

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FY 2015 General Fund supplemental appropriation of \$2.3 million to the Board of Regents for Iowa State University. The funds are to be used for one-time, nonoperational expenses.

Page 3, Line 25

FY 2015 State General Fund supplemental appropriation of \$1.1 million to the Board of Regents for the University of Northern Iowa. The funds are to be used for one-time, nonoperational expenses.

Page 4, Line 3

FY 2015 State General Fund supplemental appropriation of \$55.7 million to the Department of Education for State Aid to school districts and area education agencies. Requires \$53.6 million to be used to provide a funding supplement to each school district in FY 2016 pursuant to a formula established in this Bill. Requires \$2.1 million to be used to provide a funding supplement to each Area Education Agency (AEA) in FY 2016 pursuant to a formula established in this Bill. This funding does not revert at the end of FY 2015 and remains available for the purposes designated to the end of FY 2016. Sets requirements as to the use of the funds and provides direction to the Department of Management (DOM) regarding local school district budgets.

Page 4, Line 15

FY 2015 General Fund supplemental appropriation of \$1.8 million to the DHS for the Clarinda Mental Health Institute (MHI). The appropriation is available until December 15, 2015, to provide the acute inpatient psychiatric mental health program and the geropsychiatric program at the same level of care and treatment as provided on July 1, 2014.

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SIGNIFICANT CODE CHANGES

The FY 2015 General Fund appropriations in this Bill do not revert at the end of FY 2015. The funds remain available for the purposes designated to the end of FY 2016.

Page 8, Line 2

EFFECTIVE DATE

This Bill takes effect upon enactment. Provides that the Bill applies retroactively to July 1, 2015, if it is approved by the Governor on or after July 1, 2015.

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FY 2015 Supplemental Appropriations Bill
General Fund

	Supp-House FY 2015
<u>Management, Dept. of</u>	
State Bond Repayment Fund	\$ 10,000,000
<u>Education, Dept. of</u>	
Community Colleges - Supp	\$ 2,515,933
<u>Regents, Board of</u>	
Iowa State University - Supp	\$ 2,254,079
University of Iowa - Supp	2,886,538
University of Northern Iowa - Supp	1,114,709
Total Regents, Board of	\$ 6,255,326
<u>Public Health, Dept. of</u>	
Electronic Records System	\$ 2,300,000
<u>Human Services, Dept. of</u>	
Medicaid Supplemental	\$ 43,000,000
Clarinda MHI	1,810,000
Property Tax Relief Fund	1,040,000
Total Human Services, Dept. of	\$ 45,850,000
<u>Corrections Capital</u>	
Fort Madison Transition Costs	\$ 310,000
<u>Public Safety Capital</u>	
Radio Communication Upgrades	\$ 2,500,000
<u>Education, Dept. of</u>	
State Aid Supplemental	\$ 55,700,000
<u>Revenue, Dept. of</u>	
FY 2016 Commercial Property Tax	\$ 9,500,000
Total	\$ 134,931,259